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Prepared by Citizens Research Council of Michigan

WAYNE COUNTY PROPOSAL #2 - UNEXPENDED ONE-TENTH MILL FOR YOUTH SERVICES

The Wayne County Commission has placed on the November 3, 1992 ballot a request for authorization to make grants to municipalities of designated unexpended property tax collections.

Shall the authority granted to the Wayne County Commission to levy one-tenth mill for a Model Youth Services System until 1997, be changed to allow that all funds not expended within one year after collection for that purpose be instead returned by grant to municipalities in proportion to the amounts collected from each municipality, for the purpose of providing local youth programs?

History On August 2, 1988, Wayne County voters approved a one-mill jail levy for the ten years 1988 through 1997 for the purpose described in the ballot proposal:

To acquire, construct, and/or operate jail, misdemeanor, or juvenile incarceration or detention facilities and for adult penalty options such as work release, home detention, and community restitution; **with at least one-tenth of a mill to acquire, build and operate a juvenile offender work/training institution?** (emphasis added)

In March, 1990, the county issued \$72.8 million in bonds to be used to construct a new jail and other minor projects. The debt service for these full faith and credit bonds is being paid from the jail millage. The new Wayne County jail has been completed.

About \$9.2 million had been collected from the one-tenth mill as of July 31, 1992, but the county has not used those funds to acquire, build, or operate a new juvenile facility. About \$6.9 million remained unspent at July 31, 1992, as county efforts to develop and implement a "Juvenile offender work/training institute" continued. The county corporation counsel opined that an "institution" need not be a facility, but rather may be "something that serves to instruct, something that is instituted; as an organization for the welfare of some group." The county has or is in the process of implementing five programs: Juvenile drug offender intensive treatment; work preparation program; youth assisting programs; youth responsibility programs; and supportive community environments.

The County Program The original intention to "acquire, build and operate a juvenile... institution" was thwarted when offers of state participation were withdrawn. The focus has therefore been on creating community-based alternatives to long term residential treatment for lower crime status juvenile offenders and on creating, promoting, and funding a variety of prevention programs. Negotiations with the state department of social services, the county prosecutors office, and the juvenile division of probate court to redirect youthful offenders away from state and private programs to the new county program, including intensive community-based supervision, are designed to save the county costs associated with the state ward charge back and the 50 percent county share of private institution care. It is expected that the agreement will be confirmed, the

program will be running, and revenues from the one-tenth mill plus \$1 million of reserves will be utilized in 1993 and each year thereafter. Over the next five years, this would eliminate all funds that have been accumulated, and leave nothing for distribution back to cities, villages, and townships.

The Ballot Proposal Some local officials, upset by the failure of the county to use the one-tenth mill for construction or expansion of a juvenile facility, exerted pressure on the county commission to return the tax revenues. In March 1992, the Wayne County Commission adopted an ordinance (92-115) that would have returned the one-tenth mill to communities from which the tax was collected, if the tax revenues had not been spent within two years. The county Corporation Counsel advised that the ordinance was not valid because it was in conflict with the CEO's charter budget powers and that the local use was not within the voter approved millage authority. The commission then placed this proposal on the ballot. The county could, of course, have returned the one-tenth mill to the taxpayers by not levying the tax.

Open Issues It is interesting to note that the levy approved by voters in 1988 was “for ten years, from 1988 **through** 1997.” County Proposal #2, in contrast, refers to the “authority granted...to levy one-tenth mill...**until** 1997.” In addition, it is unclear whether this ballot proposal would be retroactive, forcing the county to return the accumulated funds collected since approval of the tax in 1988, or whether the proposal refers only to funds collected after approval of this question.